

OFFICE OF THE DIRECTOR  
NATIONAL FOREIGN ASSESSMENT CENTER

14 June 1979

MEMORANDUM FOR: NFAC Office Directors  
NFAC Staff Chiefs

FROM :   
Quality of Intelligence Project  
2E6101 Hqs

SUBJECT : Outline of NFAC Study for SSCI

John Hicks asked me to prepare and circulate the draft outline which is attached. It will be used as the framework for discussing with Deputy Director Carlucci the ground to be covered in a detailed study which the Senate Select Committee on Intelligence has directed us to do. Keeping in mind that this is only a draft to determine the points the study should cover, please give me any comments you may have on the draft or suggestions for the study's content by close of business on Thursday, 21 June.

Attachment: A/S

*Chron-June 14/01A*

OFFICE OF  
IMAGERY ANALYSIS

DIRECTOR  
DEP DIRECTOR  
EXEC OFFICER  
SECRETARY/DIR  
SECRETARY/DEP DIR

18 JUN 1979 *SC*

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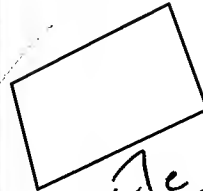
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*Action Item*

*Responded on 18 June via telephone. See text for instructions of commands passed to*  *STAT*

*18 June 79 URF*

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*File completed Action*

*1000 1200*

(DRAFT OUTLINE)

14 June 1979

## NFAC Study for SSCI

### Introduction

We are determined to improve the quality of intelligence analysis, and we welcome your interest in our efforts. We believe actions under way or now planned ensure significant progress in the right direction.

Our quality improvement efforts have been based on an inventory of NFAC's analytical skills relative to rising demands from our intelligence customers to produce more intelligence analysis on subjects which are growing rapidly in number and complexity. While making this response to the Committee, we are continuing to look hard at the analytical work NFAC is doing and how that work is getting done. We have detected shortcomings. We are initiating long-term efforts to eliminate them.

*What about  
short term?*

To develop the long-term capability to do more analysis and do it better, we will need better-qualified analysts, more of them, with more modern equipment to support them and better working space. We are moving forward now on a wide range of measures aimed at strengthening analytic expertise, improving ADP support and making better use of it, providing new avenues for anticipation and

alternative hypotheses in analysis, improving review and evaluation of our products and making NFAC analysis more relevant and responsive. We are planning for the future and are determining what resources we will need in order to implement these plans. The problems, intended solutions and our long-term objectives are set forth below.

I. New demands and the deficiencies they point up:

A. Growing consumer demands to which NFAC must respond -

1. Increased demand for short-deadline production
2. Increased complexity of military analysis
3. Increased requirements for analysis on foreign economies, energy and resources

B. Rising production pressures have strained and eroded our analytic capabilities.

*This suggests that we  
are completely happy  
with efforts on  
USSR & China!  
Are we?*

1. In areas other than USSR and China, NFAC resources often are thin.
2. Pressures for current reporting cut into time and resources available for studied research and in-depth analysis.

C. Other deficiencies having an adverse impact on quality of analysis -

1. Insufficient foreign residential experience
2. Insufficient exposure of analysts dealing with industrial, technological and scientific data to the latest pertinent developments in their fields
3. Inadequate use of training to stimulate analysts during their careers and enhance their expertise
4. Inadequate emphasis on foreign language skills
5. Shortcomings in relating recruitment, career enhancement and resource management to overall needs for analytic coverage
6. Insufficient attention to incentives, standards and requirements for analysis work
7. Insufficient use of multidisciplinary resources

8. Working environment and space - crowded conditions in NFAC not conducive to concentration and thoughtful analysis, even as more space needed for computer support and to bring in multi-disciplinary resources from two Washington-area locations

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D. Need for advanced equipment in support of analysis -

1. Project SAFE
2. Increase size and capacity of Agency ADP support available to NFAC offices
3. Genigraphics
4. Minicomputers
5. Remote printing devices
6. Automated text production
7. Efficient furnishings

II. Initiatives taken:

A. To strengthen analytic expertise -

1. Personnel increase of ☐ for political and economic research and ☐ for geographic, scientific and military research

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4. TDY travel for analytic research
5. Program to enhance language skills
6. Senior analyst positions
7. Specialist cadres
8. Determining priorities for analytic resources
9. Training courses in new analytic techniques and methodology, management and leadership
10. Multidisciplinary analytic centers
11. Emphasis on standards and incentives in recruitment and career development

B. To improve ADP support and make better use of ADP in the analytic process -

1. SAFE
2. Development and Analysis Center (OER)
3. Military-Economic Analysis Center (OSR)
4. Environment and Resource Analysis Center (OGCR)
5. Analytical Methods and External Research Staff (OPA)

- C. To provide new avenues for anticipation and alternative hypotheses -
  - 1. Alert memoranda
  - 2. Regional NIO meetings
  - 3. National intelligence warning system and working group
  - 4. Memos on selected international trends
  - 5. NFAC journal
- D. To improve review and evaluation (quality control) -
  - 1. Executive Secretary of production board
  - 2. Review panel
  - 3. Emphasis by NFAC management on more in-depth analysis
  - 4. Drawing on outside expertise through use of consultants
  - 5. Bringing in expertise through scholars in residence
  - 6. Stepped up consultation and coordination with ambassadors and chiefs of station
- E. To make NFAC analysis more responsive -
  - 1. Review panel and executive secretary of production board
  - 2. National Intelligence Topics
  - 3. Annual review of current topics and of production responsiveness
  - 4. Regular working-level meetings between Gates, NFAC NIO and State Department officers
  - 5. Political intelligence working group
  - 6. DCI's weekly meetings with the President, Brzezinski, Vance and Brown

### III. Long-term planning of objectives:

In the belief that NFAC needs a structured, step-by-step plan for improving the quality of intelligence analysis over the long term, we have set objectives by fiscal year to be met during the time frame of FY1979-1985. By setting our sights on the longer-range developments we wish to bring about, and providing for specific milestones to be reached as we proceed, we believe we can move systematically toward our broad, basic goals of upgrading the skills our analysts have, improving the analytical process, expanding the depth of political/economic research, and improving support for the analyst. We have projected the funding which we estimate that these systematic steps will require. These estimates include the funding necessary to keep fundamental programs such as SAFE on schedule while introducing other improvements in information-handling systems and the means of presenting intelligence analysis.

(This concluding section will include--or refer to an appendix to include--the projected funding estimates for FY1979-1985 appended to the Quality of Intelligence Plan drafted earlier this month, plus projected funding to put SAFE into operation.)